

Frequently Asked Questions:

Q: How long do I have to choose a plan?

A: If you decide you want to be a part of the drug benefit plan, you should enroll by December 31, 2005 to avoid losing any coverage. This means that if you sign up for a plan in December 2005, you will be covered for drugs you buy on January 1, 2006. After that, coverage will only begin on the first of the month after you enroll. For example, if you sign up on January 2, 2006, your coverage will not begin until February 1, 2006.

Q: What happens if you wait until after May 15, 2006 to sign up for a plan?

A: You will have to pay a penalty or a late fee for not enrolling in time. This penalty is 1% of the base premium for each month that you are without creditable coverage. The penalty lasts for the remainder of the time that you are enrolled in a Part D plan. In general, your out-of-pocket costs will also be higher than those who enrolled before May 15, 2006.

Q: How do I get the drug benefit?

A: You will sign up for a private plan that will be provided in your area. You should have 17 plans to choose from in Connecticut. At this time, there is no centralized place where these plans can be viewed and compared. Senator Lieberman would like to see this process simplified for seniors. At this time, you can call CHOICES at their Statewide Toll-free Phone Number: 1-800-994-9422.

Q: I don't have a very high income. Can I get any financial help with this program?

A: To qualify for additional financial help your income must be 150% below the federal poverty level AND have assets less than \$6,000 for an individual and \$9,000 for a couple. For 2005, 135% below the federal poverty level is \$12,920 if you lived alone or \$17,320 for a couple. If you meet both these criteria, then you may be eligible to get drugs for \$1-2 per generic prescription and \$3-5 for brand-

name drugs. There is also help available if your income is 150% below the federal poverty level; you may also get assistance with premium and cost-sharing charges.

You will need to apply for financial assistance by submitting an application to the Social Security Administration. You can go to their website at: www.socialsecurity.gov or call a counselor at: 1-800-772-1213 (TTY users: 1-800-325-0778).

Q: How are assets counted?

A: Assets include anything you can convert to cash in 20 days, such as your bank account, savings accounts, and retirement accounts. They do not include your house, your car, or non-cash items such as jewelry. Talk to a Social Security Administration counselor at 1-800-772-1213 (TTY users: 1-800-325-0778) if you have more specific questions.

Q: How can I get help from the Social Security Administration?

A: The Social Security Administration is responsible for helping identify people with low-incomes who are eligible for the Medicare Part D drug benefit plan. They will help people figure out if they qualify for additional help because they are low-income. You can call the Social Security Administration at: 1-800-772-1213 (TTY users: 1-800-325-0778) or the Connecticut State Medicaid Office at: 1-800-842-1508.

Q: How are the plans different?

A: The plans will cost you different amounts and will not offer the same benefits. Different plans will cover different drugs and at different cost. Make sure that whichever plan you choose, it covers the essential drugs you are taking. **Be aware that private drug plans can change what drugs they cover.** Also, if you choose to purchase a drug that is not covered by your plan, you cannot

apply the money you spent on that purchase towards your annual deductible and out-of-pocket limit.

Q: What about people that have Medicaid?

A: Seniors who currently have their drugs covered under Medicaid will now receive their drug benefits through the Medicaid Part D drug benefit program in January. People who have drug coverage will be automatically enrolled in a plan after December 31, 2005 if they have not chosen a plan already. They will not have to pay a deductible or premium and should not have any gaps in their coverage.

Q: What will the drug benefit cost?

A: In most cases, you will have to pay a monthly premium for whichever plan you choose. The premiums will be approximately \$35 per month, but this will vary depending on the particular plan you choose. Most plans will have a \$250 deductible per year. After you spend \$250 and until you reach \$2,250 for the year, you will pay for 25% of your drug costs. After \$2,250, you will be responsible for the full cost of your drugs until you spend a total of \$3,600 in out-of-pocket drug costs for the year. This is called the “coverage gap” or “doughnut hole”. After this point, you will pay \$2 for generic drugs and \$5 for brand name drugs or 5% of your total drug costs (whichever costs more). This is called the “catastrophic benefit”.

The chart below will give you an idea of your expected drug costs and savings under part D

What the Medicare Part D Drug Benefit will cost in 2006:

What you spend each year on drugs	What you will pay	What the most you will pay is	Total costs for the year without the monthly premium
\$0 - \$250	100%	\$250	\$250
\$251-\$2,250	25%	\$500	\$750
\$2,251-\$5,100	100%	\$2,850	\$3,600 maximum
More than \$5,100	5%	No limit	\$2 for generic drugs & \$5 for brand name drugs, OR 5%, whichever is greater

Q: What do I do if I have employer retiree health coverage that gives me prescription drug benefits already?

A: If you have employer retiree benefits, and your retiree health plan is at least as comprehensive in its coverage as Medicare (called “creditable coverage”), then your former employer will receive a subsidy from the federal government. The subsidy is to make sure that your employer does not drop your coverage.

Even if you are covered by a retiree health plan, you can still enroll in the Medicare Part D drug benefit, but consider whether this saves you money or increases your benefit.

Either way, be sure to think about any changes your former employer plans to make regarding drug coverage in 2006. So long as you are maintain creditable coverage you can avoid paying an enrollment penalty if you choose to enroll in Medicare Part D after May 15, 2006

Q: How does the Medicare prescription benefits bill affect seniors in long-term care facilities?

A: Seniors in long-term care facilities, such as nursing homes and assisted living, will have to be enrolled in the drug plan. Many are eligible for Medicaid and will qualify for the low-income subsidy. Medicaid eligible seniors in nursing homes will pay no premium, no deductible, no cost sharing and will not have any gaps in coverage or “doughnut holes”.

Q: What are the special considerations of seniors enrolled in long term care facilities with regards to the new prescription drug plan?

A: There are several factors that individuals in long-term care facilities and their relatives need to consider before choosing a plan.

1. What is the transition process if a drug that a senior is taking is not covered by a plan? This involves finding coverage for the temporary use of a drug not covered by a plan. Any plan you choose should have a clearly stated transition process.
2. What is the appeals process for a plan? Be sure to examine how to appeal to the company administering a plan if you may be taking a drug not currently covered.
3. Does the plan have a process that is specific to long-term care patients' needs?
4. Involve your doctor in selecting a prescription drug plan. The medicinal regiment of long-term care patients is often complicated and drugs are not easily switched.
5. Make sure that the facility's pharmacy is a participating pharmacy in the plan you select.